

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

IN RE: ARTHROCARE CORP. SEC. LIT.

CASE NO. A:08-cv-00574-SS

This filing relates to:

***Weil v. Baker, et. al.*, No. 08-CA-787-SS**

***King v. Baker, et. al.*, No. 09-CA-162-SS**

***Barron v. Baker, et. al.*, No. 09-CA-340-SS**

**STIPULATION AND [PROPOSED] ORDER CONTINUING THE FILING OF
PLAINTIFFS' CONSOLIDATED AMENDED COMPLAINT UNTIL OCTOBER 22, 2010**

WHEREAS, three related shareholder derivative actions against certain officers and directors of ArthroCare Corporation (“ArthroCare” or the “Company”) were filed on August 7, 2008 (*Weil v. Baker et. al.*, No. 08-CA-787-SS, the “*Weil* Derivative Action”); March 4, 2009 (*King v. Baker, et. al.*, No. 09-cv-162-SS, the “*King* Derivative Action”); and April 29, 2009, (*Barron v. Baker, et. al.*, No. 09-cv-340-SS, the “*Barron* Derivative Action”).

WHEREAS, on December 17, 2009 the three shareholder derivative actions were consolidated and thereafter stayed pending resolution by the Court of the motions to dismiss that were filed in the securities class action captioned *In re ArthroCare Sec. Lit.*, No. 08-cv-574-ss;

WHEREAS, the Order dated December 17, 2009 also provided that “Plaintiffs in the Consolidated Shareholder Derivative Action shall file a single Amended Verified Consolidated Shareholder Derivative Complaint . . . no later than 60 days after any motion to dismiss has been resolved in the securities class action captioned *In re ArthroCare Sec. Lit.*, No. 08-cv-574-ss” (Rec. Doc. 137);

WHEREAS, the motions to dismiss that were filed in the securities class action captioned *In re ArthroCare Sec. Lit.*, No. 08-cv-574-ss were resolved on July 20, 2010 (Rec. Doc. 205);

WHEREAS, under the consolidation and stay order, the Plaintiffs in the three consolidated shareholder derivative actions now have until September 20, 2010 to file a single Amended Verified Consolidated Shareholder Derivative Complaint;

WHEREAS, the parties have scheduled and will attend a settlement mediation in this case in San Francisco on October 18, 2010;

WHEREAS, counsel for plaintiffs have advised defense counsel that they need additional time to prepare their Amended Verified Consolidated Shareholder Derivative Complaint in this action;

WHEREAS, defense counsel has agreed to an extension of plaintiffs' time to file and serve their amended consolidated complaint until after the mediation in San Francisco is concluded;

WHEREAS, the parties believe that the tenets of efficiency and conservation of the resources of the Court and the parties will best be served by extending the date upon which the derivative plaintiffs will file and serve their amended consolidated complaint; and

WHEREAS, no other scheduling dates in this case will be disturbed or require modification or change if the requested extension of time is granted;

WHEREAS, upon consent from the Court, the parties have agreed to extend the date upon which Plaintiffs will file a single Amended Verified Consolidated Shareholder Derivative Complaint until October 22, 2010;

WHEREAS, pursuant to the Order dated December 17, 2009, Defendants will have sixty days from the filing of the Amended Verified Consolidated Shareholder Derivative Complaint (that is, December 21, 2010) to answer, move, or otherwise respond (Rec. Doc 137);

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED that, subject to the approval of the Court, Plaintiffs in the three consolidated shareholder derivative actions shall have through and including October 22, 2010 to file and serve their single Amended Verified Consolidated Shareholder Derivative Complaint.

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Counsel for Defendants

NOW THEREFORE, HAVING REVIEWED THE FOREGOING AND FINDING THE STIPULATION OF THE PARTIES TO BE FOUNDED UPON GOOD CAUSE, IT IS HEREBY ORDERED:

Plaintiffs in the three consolidated shareholder derivative actions captioned *Weil v. Baker et. al.*, No. 08-CA-787-SS, *King v. Baker, et. al.*, No. 09-cv-162-SS, and *Barron v. Baker, et. al.*, No. 09-cv-340-SS shall have through and including October 22, 2010 to file and serve their single Amended Verified Consolidated Shareholder Derivative Complaint.

Austin, Texas, this _____ day of September, 2010

Hon. Sam Sparks
United States District Judge